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Attorneys for Plaintiff Mango Labs, LLC

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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MANGO LABS, LLC,	:	Civ No. 1:23-cv-00665-UA
	:	
Plaintiff,	:	SUPPLEMENTAL
	:	DECLARATION OF RODRIGO
-against-	:	BARBARA IN SUPPORT OF
	:	MANGO LABS, LLC'S
AVRAHAM EISENBERG,	:	APPLICATION FOR A
	:	TEMPORARY RESTRAINING
Defendant.	:	ORDER AND PRELIMINARY
	:	INJUNCTION
-----	X	

I, Rodrigo Barbara, submit this declaration in support of Plaintiff Mango Labs, LLC's ("Mango Labs") Application for a Temporary Restraining Order and Preliminary Injunction ("Application") against Defendant Avraham Eisenberg ("Defendant"). I have personal knowledge of the matters set forth below and, if called upon to do so, I could and would testify competently thereto.

1. Hours after Mango Labs filed this action and its Application (at approximately 1:14:35 am eastern time), a transaction occurred involving a blockchain wallet address Mango Labs identified as under Defendant's control. The counterparty address belonged to the Aave protocol. Defendant attacked Aave in November 2022 following his October 2022 attack on Mango Markets. Mango Labs is investigating this transaction. A true and correct screenshot of a website showing the transaction is attached herein as **Exhibit A**:

<https://etherscan.io/tx/0x83f4f6e23c2ca8074c60c98d9be11c939c7864ce450bd68eb9580f104c074b9e>.

2. According to the Aave protocol, this transfer of digital assets was related to its attempts to recover from Defendant's prior attack. A screenshot of a report explaining this transaction is enclosed here and a true and correct copy is attached herein as **Exhibit B**:

According to a new [post](#) on Jan. 26, Marc Zeller, integrations lead at decentralized finance (DeFi) lending protocol Aave, stated that the firm purchased 2.7 million Curve (CRV) tokens, which would clear "excessive remaining bad debt" within the next 15 hours over a dozen transactions. The move follows the community approval of Aave Improvement Protocol (AIP) 144, which deployed a swap contract that acquires 2.7 million units of CRV, with a USD Coin USDC ▲ \$1.00 spend limit of \$3,105,000 and a maximum unit value of \$1.15 per CRV.

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The bad debt on the Aave protocol resulted from a [sophisticated exploit](#) that took place on Nov. 23. Avraham Eisenberg, who previously drained DeFi protocol Mango Markets and caused \$47 million in net damages, took on a series of heavy volume short CRV positions on Aave in an attempt to orchestrate a short squeeze and force developers to buyback his positions at upward of 100% slippage due to lack of liquidity.

However, it turned out Aave had much more liquidity than anticipated, and Eisenberg reportedly lost \$10 million on the trade. Nevertheless, some slippage occurred as a result of the incident, and Aave was left with a total of 2.656 million CRV in bad debt while liquidating Eisenberg's positions.

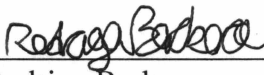
The same day, Mango Markets filed a lawsuit against Eisenberg, asking the court to rescind its \$47-million bounty agreement with the hacker for his role in the [\\$117-million exploit](#) on Oct. 12, 2022. The United States Securities and Exchange Commission has charged Eisenberg with stealing \$117 million in digital assets. Eisenberg was arrested in Puerto Rico by the Federal Bureau of Investigation on Dec. 27, 2022, on charges of commodities manipulation and commodities fraud.



Avraham Eisenberg (right) during an interview. Source: YouTube, "Unchained" podcast

3. The transaction with Aave after Mango Labs filed its Complaint is an example of the risk that Defendant will lose the converted assets. This is separate and in addition to the risk that Defendant will hide and dissipate the converted assets.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 30th day of January 2023 at Dania Beach, Florida.



Rodrigo Barbara